

CITY OF ALAMEDA

Memorandum

To: Honorable Mayor and
Members of the City Council

From: Lisa Goldman
Acting City Manager

Date: February 1, 2011

Re: Receive an Overview of SB 375, the Regional Sustainable Communities Strategy and the Opportunities for Involvement by the City of Alameda

BACKGROUND

This staff report describes Senate Bill 375, the Sustainable Communities Strategy (SCS) and the effect of the law on the City of Alameda and the Bay Area as a region. This report is based on reports provided by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). The purpose of this report is to provide the City Council and the community with an overview of the SCS in relation to local land use policies, implementation needs, and key policy considerations for the City of Alameda. No action by the City Council is required at this time.

DISCUSSION

Senate Bill 375 became law in 2008 and is considered landmark legislation for California relative to land use, transportation and environmental planning. SB 375 calls for the development of a SCS in all metropolitan regions in California. Within the Bay Area, the law gives joint responsibility for the SCS to MTC and ABAG. These agencies will coordinate with the Bay Area Air Quality Management District (Air District) and the Bay Conservation and Development Commission (BCDC).

The SCS integrates several existing planning processes and is required to accomplish the following objectives:

- Provide a new 25-year land use strategy for the Bay Area that is realistic and identifies areas to accommodate all of the region's population, including all income groups;
- Forecast a land use pattern, which when integrated with the transportation system, reduces greenhouse gas emissions from automobiles and light trucks and is measured against the regional target established by the California Air Resources Board (CARB).

The SCS is a land use strategy required to be included as part of the Bay Area's 25-year Regional Transportation Plan (RTP). By federal law, the RTP must be internally consistent. Therefore, the over \$200 billion dollars of transportation investment typically included in the RTP must align with and support the SCS land-use pattern. SB 375 also requires that an updated eight-year regional housing need allocation (RHNA) prepared by ABAG be consistent with the SCS. The SCS, RTP and RHNA will be adopted simultaneously in early 2013. Exhibit 1 includes an expanded three year schedule for the effort.

The primary goal of the SCS is to build a Bay Area that will thrive and prosper under the changing circumstances of the 21st century. By directly confronting the challenges associated with population growth, climate change, a new economic reality and an increasing public-health imperative, the SCS should ensure a Bay Area which is both livable and economically competitive on the world stage. A successful SCS will:

- Recognize and support compact walkable places where residents and workers have access to services and amenities to meet their day-to-day needs;
- Reduce long commutes and decrease the region's carbon consumption;
- Support complete communities that remain livable and affordable for all segments of the population, maintaining the Bay Area as an attractive place to reside, start or continue a business, and create jobs.
- Support a sustainable transportation system and reduce the need for expensive highway and transit expansions, freeing up resources for other more productive public investments;
- Provide increased accessibility and affordability to our most vulnerable populations;
- Conserve water and decrease our dependence on imported food stocks and their high transport costs.

In recognition of the importance of these other goals, ABAG and MTC will adopt performance targets and indicators that will help inform decisions about land use patterns and transportation investments. These targets and indicators will apply to the SCS and the RTP. The targets and indicators are being developed by the Regional Advisory Working Group (RAWG), which includes local planning and transportation staff¹, non-profit organizations, and business and developers' organizations. The targets are scheduled for adoption early 2011; and the indicators will be adopted in spring 2011.

In many respects the SCS builds upon existing efforts in many Bay Area communities to encourage more focused and compact growth while recognizing the unique characteristics and differences of the region's many varied communities. Priority Development Areas (PDAs) are locally-identified and regionally adopted infill development opportunity areas near transit. Pursuant to a 2008 City Council resolution,

¹ The City of Alameda is represented on the RAWG by Supervising Civil Engineer Obaid Khan and Planning Services Manager Andrew Thomas.

Alameda Point, Alameda Landing, Bayport, and Coast Guard North Housing are designated as PDAs.

The PDAs provide a strong foundation upon which to structure the region's first SCS. PDAs are only three percent of the region's land area. Based upon existing plans, resources, and incentives the PDAs regionally can collectively accommodate over 50 percent of the Bay Area's housing need through 2035. The current RTP allocates an average of \$60 million a year to PDA incentive-related funding. Future RTPs, consistent with the SCS, will be structured to provide policies and funding that is supportive of PDAs and potentially other opportunity areas for sustainable development in the region.

Initial Vision Scenario

ABAG and MTC will release an Initial Vision Scenario in February 2011 based in large part on input from local jurisdictions through the county/corridor engagement process and information collected by December 2010. The Vision Scenario will encompass an initial identification of places, policies and strategies for long-term, sustainable development in the Bay Area. Local governments will identify places of great potential for sustainable development, including PDAs, transit corridors, employment areas, as well as infill opportunities areas that lack transit services but offer opportunities for increased walkability and reduced driving.

The Initial Vision Scenario will:

- Incorporate the 25-year regional housing need encompassed in the SCS;
- Provide a preliminary set of housing and employment growth numbers at regional, county, jurisdictional, and sub-jurisdictional levels;
- Be evaluated against the greenhouse gas reduction target as well as the additional performance targets adopted for the SCS.

Detailed Scenarios

By the early spring of 2011 the conversation between local governments and regional agencies will turn to the feasibility of achieving the Initial Vision Scenario by working on the Detailed Scenarios. The Detailed Scenarios will be different than the initial Vision Scenario in that they will take into account constraints that might limit development potential, and will identify the infrastructure and resources that can be identified and/or secured to support the scenario. MTC and ABAG expect to release a first round of Detailed Scenarios by July 2011. Local jurisdictions will provide input, which will then be analyzed for the release of the Preferred Scenario by the end of 2011. The County/Corridor Working Groups as well as the RAWG will facilitate local input into the scenarios through 2011. The analysis of the Detailed Scenarios and Preferred Scenario takes into account the Performance Targets and Indicators.

Regional Housing Needs Allocation:

As described above, the eight-year RHNA must be consistent with the SCS. Planning for affordable housing in the Bay Area is one of the essential tasks of sustainable development. In the SCS, this task becomes integrated with the regional land use strategy, the development of complete communities and a sustainable transportation system. The process to update RHNA will begin in early 2011. The county/corridor engagement process will include discussions of RHNA, since both the SCS and RHNA require consideration of housing needs by income group. Cities will discuss their strategies for the distribution of housing needs at the county level and decide if they want to form a sub-regional RHNA group by March 2011. The distribution of housing needs will inform the Detailed SCS Scenarios. Regional agencies will take input from local jurisdictions for the adoption of the RHNA methodology by September 2011. The final housing numbers for the region will be issued by the State Department of Housing and Community Development (HCD) by September 2011. The Draft RHNA will be released by spring 2012. ABAG will adopt the Final RHNA by the end of summer 2012. Local governments will address the next round of RHNA in their next Housing Element update.

This is a condensed description of the RHNA process. Additional details about procedural requirements (e.g. appeals, revisions and transfers) and substantive issues (e.g. housing by income category and formation of subregions) will be described in a separate document.

Regional Transportation Plan

The SCS establishes an explicit link between the land use choices and the transportation investments. MTC and ABAG's commitment to the reduction of greenhouse gas emissions and provision of housing for all income levels translates into an alignment of the development of places committed to these goals and transportation, infrastructure and housing funding. The regional agencies will work closely with the Congestion Management Authority (CMA), transportation agencies and local jurisdictions to define financially constrained transportation priorities in their response to a call for transportation projects in early 2011 and a detailed project assessment that will be completed by July/August 2011; the project assessment will be an essential part of the development of Detailed SCS Scenarios. The RTP will be analyzed through 2012 and released for review by the end of 2012. ABAG will approve the SCS by March 2013. MTC will adopt the final RTP and SCS by April 2013.

Regional agencies will prepare one Environmental Impact Report (EIR) for both the SCS and the RTP. This EIR might assist local jurisdictions in streamlining the environmental review process for some of the projects that are consistent with the SCS. Local jurisdictions are currently providing input for the potential scope of the EIR. Regional agencies are investigating the scope and strategies for an EIR that could provide the most effective support for local governments.

Challenges and Opportunities for the City of Alameda in the Sustainable Communities Strategy.

The SCS provides an opportunity for the City of Alameda to advance local goals as part of a coordinated regional framework. By coordinating programs across multiple layers of government, the SCS should improve public sector efficiency and create more rational and coordinated regulation and public funding. The SCS connects local neighborhood concerns—such as new housing, jobs, and traffic—to regional objectives and resources. As such, it is a platform for cities and counties to discuss and address a wide spectrum of challenges, including high housing costs, job access, and public health, and identify local, regional, and state policies to address them. It gives local governments a stronger voice in identifying desired infrastructure improvements and provides a framework for evaluating those investments regionally. In this way, the SCS rewards those cities whose decisions advance local goals and benefit quality of life beyond their borders—whether to create more affordable housing, new jobs, or reduce driving.

As the SCS process unfolds over the next few years, City staff will participate in the following regional planning activities:

- Regional Housing Allocation: City staff will play an active role in the SCS process with ABAG and MTC to advocate for a realistic housing development scenario for Alameda over the next 25 years. In the past, the State and Region have provided Alameda with unrealistic housing development goals as part of the RHNA. Not only have these housing production goals been unrealistic for Alameda, but the associated traffic from those goals has caused great concern for Alameda residents and nearby Oakland neighborhoods, such as Chinatown. Staff is hopeful that the “bottom up” approach that is being undertaken in the SCS process will give City staff a better chance to work with Oakland staff and local ABAG and MTC staff to develop more realistic housing develop goals for Alameda that are consistent with existing City density standards. To date, Alameda staff has requested that ABAG and MTC staff identify Alameda Point, Alameda Landing, and the Northern Waterfront (from Sherman to Tilden) and North Park Street in the February 2011 Vision Scenario as areas that may accommodate additional housing and job growth in Alameda consistent with the City of Alameda General Plan. Staff has also requested that the 2011 Vision Scenario not identify the existing Alameda neighborhoods as “significant infill” opportunities for regional growth.
- Infrastructure and Transportation Funding. City staff will advocate for infrastructure and transportation improvement funding to support SCS development in Alameda. Alameda Point, Alameda Landing, the Northern Waterfront, and North Park Street cannot be expected to accommodate significant or even a moderate share of the regional development without significant commitment by the region to funding the necessary infrastructure (sewer, stormwater, etc.) and transportation (streets, bike lanes, transit, etc.) that is absolutely essential to support the development.

- Hazardous Materials and “Brownfield” development. Many of Alameda’s potential development sites at Alameda Point, the Northern Waterfront and North Park Street are former industrial sites with soil and or ground water contamination issues. Without financial support from the State to address these issues, many of these potential development sites may remain vacant, underutilized and undeveloped for many years.
- Planning Funds: The City of Alameda cannot make Alameda Point available for SCS development without completing and adopting a land use plan for Alameda Point. With the departure of the last two Master Developers, City staff will look to the regional agencies and the State to provide funding to the City of Alameda to assist in the planning and environmental review effort for Alameda Point. Staff is currently working on a \$750,000 grant application to MTC for Alameda Point planning efforts that is due in March 2011.

NEXT STEPS

The Regional agencies expect to release an initial Vision Scenario in early February. City staff will review the 2011 initial Vision Scenario and provide a status report to the Planning Board and City Council describing the Scenario and local implications for the City of Alameda. At that time, staff will seek City Council, Planning Board and community feedback and response to the initial Vision Scenario to share with the regional agencies. This feedback will serve as a basis for the development of Detailed SCS Scenarios through July 2011.

FINANCIAL IMPACT

This report is for information only. The financial impacts of any proposed changes to the Alameda Municipal Code will be evaluated at the time these changes are brought before the City Council.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

The proposed changes are consistent with General Plan policies promoting vital, pedestrian oriented commercial uses within the Webster Street and Park Street Commercial districts. The proposed amendments also support the policies, objectives and priority actions from the 2009 Transportation Element Update, 2008 Local Action Plan for Green House Gas Reductions, the 2008 General Plan Retail Policies Update, and City of Alameda economic development and historic preservation policies.

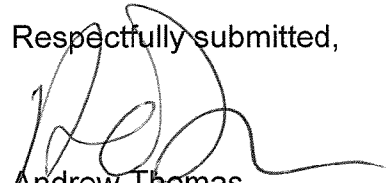
ENVIRONMENTAL REVIEW

Participation in the SCS is statutorily exempt from the California Environmental Quality Act.

RECOMMENDATION

No action is required at this time. This report is for informational purposes only.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Andrew Thomas', is written over the text 'Respectfully submitted,'.

Andrew Thomas
Planning Services Manager

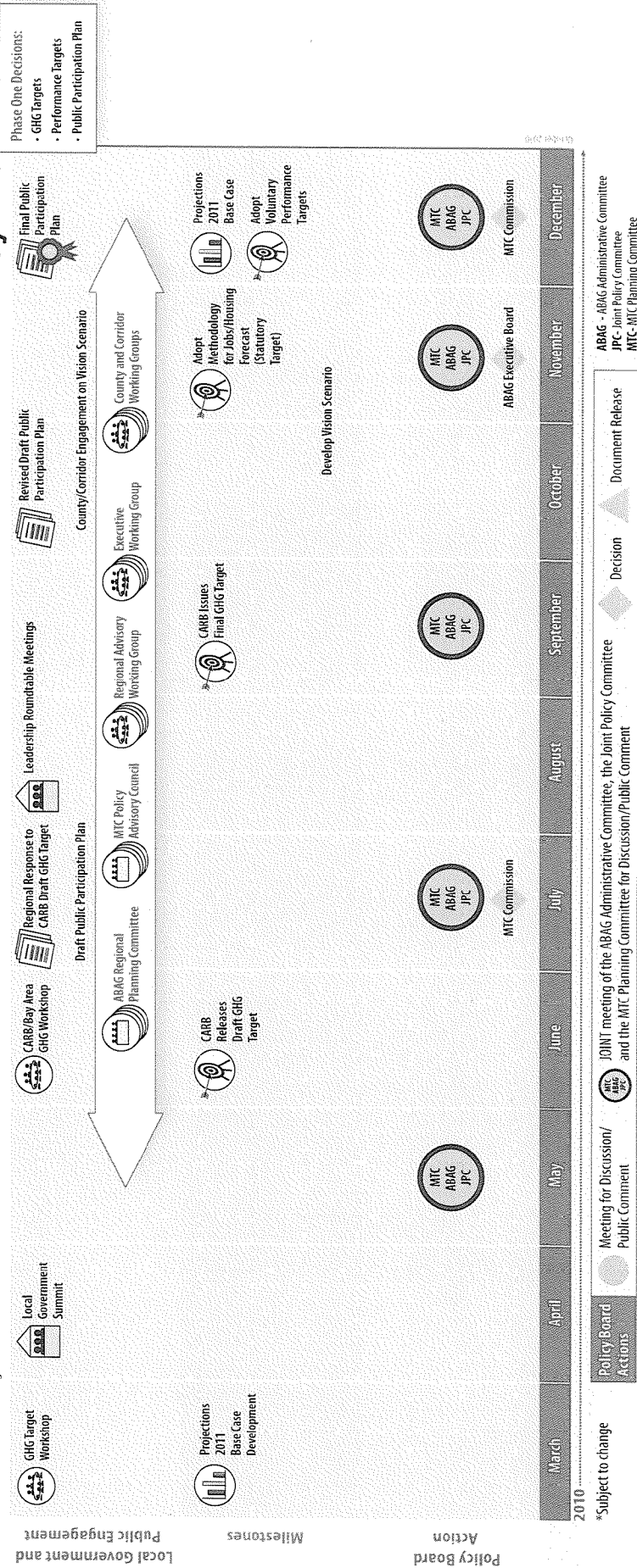
Exhibit:

1. Sustainable Communities Strategy Schedule

Sustainable Communities Strategy Planning Process: Phase 1 Detail for 2010*

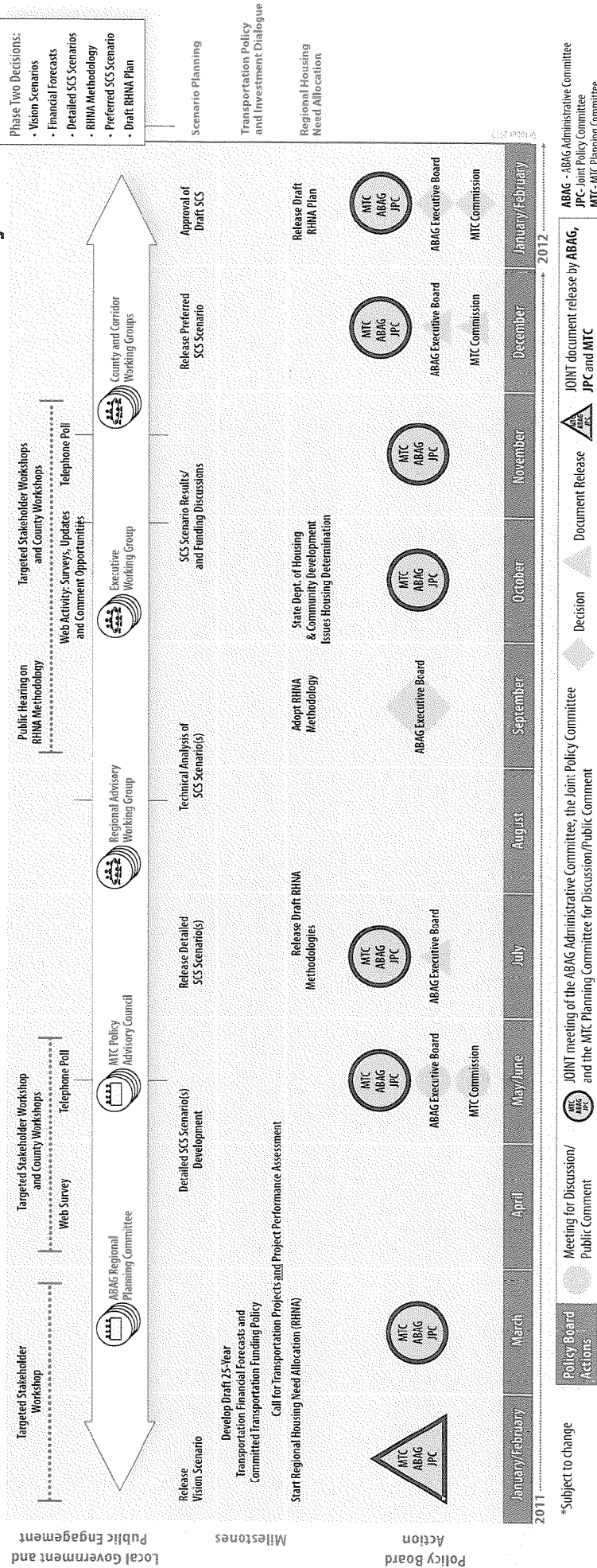
Phase 1: Performance Targets and Vision Scenario

OneBayArea



One Bay Area

Local Government and
Public Engagement

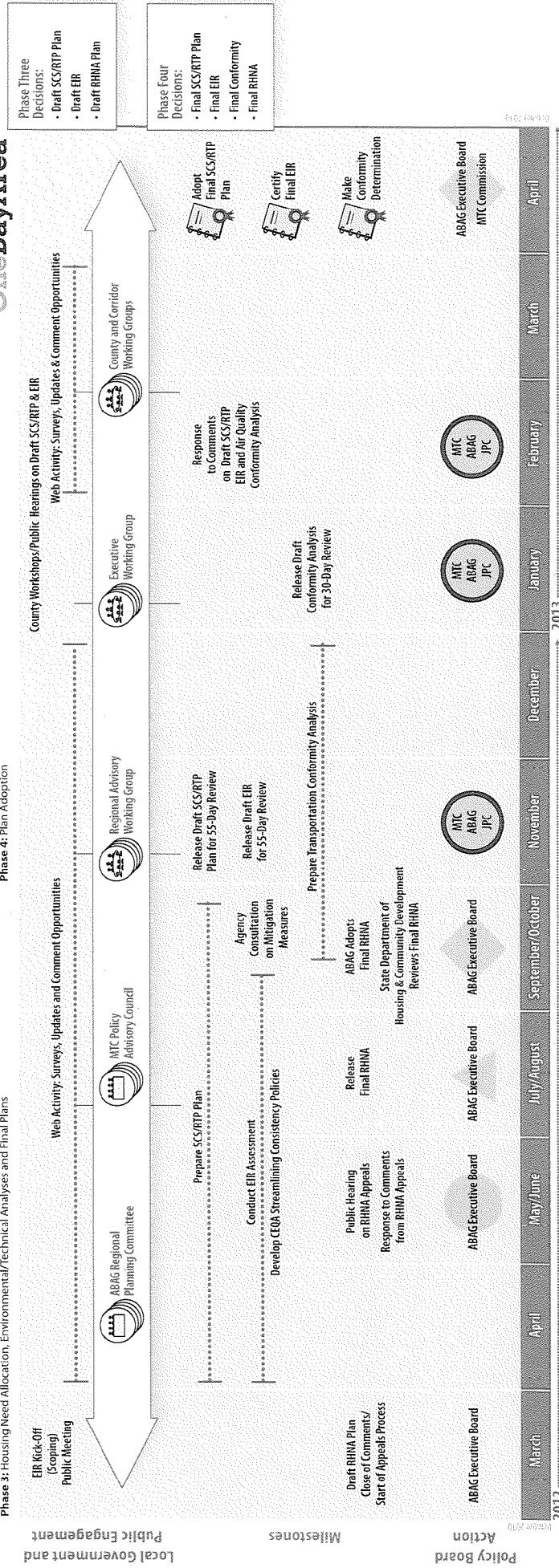


Sustainable Communities Strategy Planning Process: Phases 3 & 4 Details for 2012-2013*

Phase 3: Housing Need Allocation, Environmental/Technical Analyses and Final Plans

Phase 4: Plan Adoption

OneBayArea



*Subject to change

Policy Board Actions

Meeting for Discussion/Public Comment

MTC ABAG JPC

JOINT meeting of the ABAG Administrative Committee, the Joint Policy Committee and the MTC Planning Committee for Discussion/Public Comment

Decision

Document Release

ABAG - ABAG Administrative Committee

JPC - Joint Policy Committee

MTC - MTC Planning Committee